

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

NOTICE OF PURCHASED GAS)	
ADJUSTMENT FILING OF DELTA)	CASE NO. 9331-O
NATURAL GAS COMPANY, INC.)	

INTERIM ORDER

On December 19, 1985, the Commission issued its Order in Case No. 9331 approving certain adjustments in rates and providing under certain conditions for the further adjustment of such rates on a quarterly basis in accordance with the provisions of the Gas Cost Adjustment ("GCA") Clause set forth therein.

On June 29, 1989, Delta Natural Gas Company, Inc. ("Delta") filed its quarterly GCA, which is to become effective August 1, 1989 and is to remain in effect until November 1, 1989.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission is of the opinion and finds that:

(1) Delta's notice of June 29, 1989 set out certain revisions in rates which Delta proposed to place into effect, said rates being designed to pass on the overall wholesale decrease in gas costs from its suppliers in the amount of 1.71 cents per Mcf, excluding take-or-pay billings.

(2) Delta's notice set out a total refund adjustment of 2.62 cents per Mcf, replacing the previous adjustment of 2.20 cents per Mcf.

(3) Delta's notice set out a current quarter actual adjustment in the amount of 12.38 cents per Mcf to compensate for previous over-recovery of gas cost by the company through the operation of its gas cost recovery procedure.

(4) Delta's notice set out a balance adjustment of 6.06 cents per Mcf to compensate for under-collections, which occurred as a result of previous gas cost, refund, and balance adjustments.

(5) Delta proposed a gas cost recovery rate in the amount of \$3.2968 per Mcf, which includes a take-or-pay recovery component of 6.48 cents per Mcf. Delta should be prepared to support the amount of its take-or-pay actual adjustment at the time of its next field review.

(6) Delta's adjustment in rates contained in the Appendix to this Order is made pursuant to the GCA provisions approved by the Commission in its Order in Case No. 9331 dated December 19, 1985 and should be approved to be effective with final meter readings on and after August 1, 1989.

(7) In Delta's filing dated June 29, 1989, Delta requested confidentiality for Schedule VI. Confidentiality will be granted on an interim basis pending the Commission's review of all gas supply confidentiality requests.

IT IS THEREFORE ORDERED that:

(1) The rates in the Appendix to this Order, attached hereto and incorporated herein, are fair, just, and reasonable and are hereby approved effective with final meter readings on and after August 1, 1989.

(2) The gas cost recovery rate shall be \$3.2968 per Mcf effective with final meter readings on and after August 1, 1989.

(3) Within 30 days of the date of this Order, Delta shall file with this Commission its revised tariffs setting out the rates authorized herein.

(4) Delta's request for confidentiality is hereby granted on an interim basis pending Commission review of all gas supply confidentiality requests.

Done at Frankfort, Kentucky, this 1st day of August, 1989.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 9331-O DATED 8/01/89

The following rates and charges are prescribed for the customers served by Delta Natural Gas Company, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the date of this Order.

RATE SCHEDULES

AVAILABILITY

Available for general use by residential, commercial, and industrial customers who purchase their entire natural gas requirements from Delta.

RATES

	<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Total</u>
	plus		equals
General Service			
Monthly Customer Charge			\$3.98
1 - 1,000 Mcf	\$2.0379	\$3.2968	\$5.3347 per Mcf
1,001 - 5,000 Mcf	1.8920	3.2968	5.1888 per Mcf
5,001 - 10,000 Mcf	1.5858	3.2968	4.8826 per Mcf
Over 10,000 Mcf	1.2795	3.2968	4.5763 per Mcf
Interruptible (2)			
1 - 1,000 Mcf	\$1.7826	\$3.2968	\$5.0794 per Mcf
1,001 - 5,000 Mcf	1.6368	3.2968	4.9336 per Mcf
5,001 - 10,000 Mcf	1.3306	3.2968	4.6274 per Mcf
Over 10,000 Mcf	1.0243	3.2968	4.3211 per Mcf
Transportation of Gas for Others			
On-System Utilization			

To the applicable rates and charges in effect for on-system transportation customers shall be added a take-or-pay recovery component of \$.0648 per Mcf.